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MEXTOR

Minerals Limited

Interim Report 1972

MEXTOR MINERALS LIMITED

REPORT TO SHAREHOLDERS

Mextor Minerals Limited, through its Mexican subsidiary, Cia Minera de Pinabete, S.A., continues to hold two main properties in Mexico, the Pinabete silver property and the La Domenica porphyry copper deposit. No work has been done for several months on Pinabete. Silver is currently selling at about \$1.78 Canadian per Troy ounce and this higher silver price enhances the value of Pinabete.

The La Dominica property, located in the State of Jalisco, Mexico, is large, being some ten miles long north-south by about four and a half miles wide. Considerable work has been done on the property during the last six months and in that time a valid Mexican agreement was signed by Pinabete and various Mexican vendors. Two detailed surveys are being carried out and are almost complete; one a triangulation survey and the second, a claim outline survey. It is anticipated that calculations and plans for both surveys will be completed by September.

A six mile road from Hacienda La Parota Quemada at the south end of the property to the main La Domenica showings has almost been completed. The bulldozer used on the road work will be used for trenching through shallow overburden in the Cerritos Verdes area where the occurrence of disseminated chalcopyrite and its alteration production, malachite, are known to occur. The trenches, when completed, will be channel sampled. Random samples recently taken indicate that the copper mineralization carries values in silver of about one ounce per ton.

A geochemical survey for copper in stream sediments has been started in areas of known mineralization. Two rivers pass through the approximate centre of the claim block, the Rio Corongoros and the Rio Chiquito.

A tungsten property in the State of Sonora has recently been offered to Pinabete and will be examined in the near future.

On behalf of the Board,

R. J. OPEKAR,
President.

August 24, 1972.

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STATEMENT OF SOU

(prepared from the

SOURCE OF CASH

Advances from affiliated company
Demand bank loan
Accounts receivable

USE OF CASH

Accounts payable and accrued liabilities
Deferred expenditures, general and adminis-
tration

EXCESS USE OF CASH DURING PERIOD ...
LESS — Cash balance at beginning of period

ADD — Demand bank loan
Cash balance end of period

BANK INDEBTEDNESS AT END OF PERIOD .

NOTES TO FINA

(prepared from the

1. INTERIM STATEMENTS

These financial statements have been prepared from the accounts without audit and are subject to year-end audit adjustments. Since the Company's year-end was changed from September 30 to December 31, the Company has prepared financial statements related to interim periods of both years.

2. REMUNERATION TO DIRECTORS AND SENIOR OFFICERS

There was no remuneration paid to directors and senior officers of the Company. Remuneration to the Company's former general manager was \$6,000 for this six month period

RAM PETROLEUMS LIMITED

STATEMENT OF CASH AND USE OF CASH

(Accounts without audit)

For the six month period ended		For the three month period ended	For the nine month period ended
March 31, 1971	June 30, 1972	Dec. 31, 1971	June 30, 1972
69,996	\$ 125,721	\$ 66,408	\$ 192,129
10,000	—	—	—
5,075	200	100	300
85,041	\$ 125,921	\$ 66,508	\$ 192,429
2,725	\$ —	\$ 3,395	\$ 3,395
108,331	133,407	68,113	201,620
111,056	\$ 133,407	\$ 71,508	\$ 205,015
36,015	\$ 7,586	\$ 5,000	\$ 12,586
33,574	858	5,858	5,858
2,441	\$ 6,728	\$ (858)	\$ 6,728
10,000	—	—	—
—	—	858	—
12,441	\$ 6,728	\$ —	\$ 6,728

FINANCIAL STATEMENTS

(Accounts without audit)

ended March 31, 1971.

3. CAPITAL STOCK

Ram Petroleums Limited has purchased 1,600,000 common shares of the Company for an aggregate of \$400,000. The major portion of such \$400,000 has been advanced to the Company by Ram Petroleums Limited as of September 30, 1971.

The Company has granted an option to purchase 150,000 common shares to a Mexican national for an aggregate of \$75,000. This option expires eight months after the Company's Mexican affiliate obtains certain mining rights.

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On behalf of the Board,

R. J. OPEKAR,
President.

August 24, 1972.

MEXTOR MINERALS LIMITED

(Incorporated under the laws of Ontario)

Executive and Head Office

Suite 1000
The Simpson Tower
401 Bay Street,
Toronto 103, Ontario

Officers and Directors

ROBERT J. OPEKAR, *President*
LEONARD CASCIATO, *Secretary-Treasurer*
RICHARD H. KREMPULEC
HOWARD BARCLAY

Transfer Agent

GUARANTY TRUST COMPANY OF CANADA
Toronto, Ontario

Auditors

ARTHUR ANDERSEN & CO.
Toronto, Ontario

Banker

ROYAL BANK OF CANADA
20 King Street West
Toronto, Ontario

General Counsel

STAPELLS, SEWELL, STAPELLS,
PATTERSON & RODGERS
Toronto, Ontario